

# Applying for Retirement

## State Police Retirement System

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### BEFORE YOU RETIRE

You should inquire about retirement at least six months before your retirement date. This will give you enough time to review the benefits that are available to you after retirement. You may request an estimate of your retirement benefits and the value of your life insurance benefits after retirement from the Division of Pensions and Benefits. Retirement estimates are mailed to the address you provide. Your employer is not notified.

### APPLYING FOR RETIREMENT

Retirement from the State Police is mandatory upon reaching age 55. If you do not file an application for retirement before your mandatory retirement date, you will be automatically retired by the Board of Trustees on a Service Retirement, effective the first day of the month immediately following your 55th birthday. Even though the Board of Trustees has retired you, you cannot begin receiving benefits until you have filed a retirement application with the Division of Pensions and Benefits.

It is your responsibility to file an *Application for Retirement Allowance* with the Division of Pensions and Benefits. Processing time varies and cannot begin until we have received all the necessary information and forms from both you and your employer. If you have not already furnished proof of your age to the Division, you should attach a copy of your birth certificate or other suitable proof of age to your *Application for Retirement Allowance* at the time you file.

If you are covered by the State Health Benefits Program (SHBP) at the time you retire, you will be sent a letter offering continued coverage in the program. If you retire on a benefit based on 25 years of service or a disability retirement, the State will pay for your coverage and that of your eligible dependents for your lifetime.

Under the provisions of Chapter 175, P.L. 1985, the State will also pay for your health coverage and that of your eligible dependents if you are retiring

on a mandatory retirement at age 55 **and** you were a member of the retirement system on August 29, 1985.

Enrollment in the retired group program is not automatic; you must file the *State Health Benefits Retired Status Application* enclosed with your offering letter.

If you retire with an outstanding loan balance, you must indicate on your retirement application how you wish to repay your loan balance. Under the provisions of Chapter 132, P. L. 1999, you may:

- pay the loan **in its entirety** prior to receiving any benefits; or
- continue your monthly loan repayment schedule into retirement until the loan balance **plus interest** has been repaid.

### TYPES OF RETIREMENT

There are several types of retirement for which you may qualify:

#### Service Retirement

is available at any age when you complete 20 years of creditable service as a member of SPRS. The amount of your annual retirement allowance is equal to 50 percent of your final compensation. Final compensation means the base or contractual wages (**including** maintenance) you received during the 12 months preceding retirement.

If you are retiring on a mandatory retirement at age 55 **and** you were an active member of the retirement system on August 29, 1985, Chapter 175, P.L. 1985 guarantees you a service retirement benefit of 50 percent of your final compensation, even if you have not completed 20 years of service with the State Police.

#### Special Retirement

is available at any age to those members who have 25 years or more of service credit as a member of SPRS. The amount of your annual pension will be equal to 65 percent of your final compensation plus

1 percent for each year of creditable service over 25 years but not to exceed 30 years. The maximum allowance is, therefore, 70 percent of your final compensation. Final compensation means the base or contractual wages (**including** maintenance) you received during the 12 months preceding retirement.

### **Deferred Retirement**

is available to those members who have at least ten years of service credit and who are not yet 55 years of age when they terminate employment. Your retirement is effective the first of the month following the month you turn 55. The retirement allowance is 2 percent of final compensation for each year of service up to 25 years. You must apply for a Deferred Retirement and may do so when you terminate covered employment. Final compensation means the base or contractual wages (**including** maintenance) you received during the 12 months preceding termination of employment.

Your life insurance coverage is not in effect between the time you terminate employment and your Deferred Retirement becomes effective. If you die between the time you terminate employment and your retirement becomes effective, the last named beneficiary will receive the return of your pension contributions. There is no other death benefit under these circumstances.

For information concerning conversion of your group life insurance to an individual policy at termination of employment, you can call the Division's Benefit Information Library 24 hours a day, seven days a week at (609) 777-1931 from a touch tone phone. To have the fact sheet mailed, select #245 and, after the recorded message, leave the requested mailing information. To have the fact sheet sent directly to your fax machine, select the Fax on Demand option and enter fax selection #8245 along with the area code and number of your fax machine.

If you apply for Deferred Retirement, you will not be able to continue coverage under the State Health Benefits Program (SHBP) retiree group; however, you are entitled to continue coverage in the SHBP

active employee group for up to 18 months after termination of employment under federal COBRA legislation.

At any time before your Deferred Retirement becomes effective, you may change your mind and apply for a lump sum withdrawal of your pension contributions instead. Once you cancel your Deferred Retirement and withdraw your contributions, all the rights and privileges of membership end.

For information on **Disability Retirement**, you can call Client Services at (609) 292-7524 and request Fact Sheet #39, *Disability Retirement Benefits*. You can also view or download the fact sheet through the Division of Pensions and Benefits' Internet homepage at: <http://www.state.nj.us/treasury/pensions>

### **SERVICE UNDER OTHER PENSION SYSTEMS**

Please keep in mind that only service rendered as a member of the State Police may be used to satisfy the minimum creditable service requirements of the retirement types described above. This includes the creditable service of those members appointed to the Division of State Police under *Section 3, P.L. 1983, c. 403* and those appointed under *Section 1, P.L. 1997, c. 19*. If you purchased service credit for service under another State of New Jersey pension system, this service credit cannot be used to fulfill minimum service requirements. Such service credit, however, may be applied to your retirement allowance as an additional one percent of final compensation for each year of service credit up to the limits specified.

### **SURVIVOR BENEFITS AFTER RETIREMENT**

If you die *after* retirement, your eligible surviving spouse, the person to whom you were legally married at the time of death, will receive an annual pension of 50 percent of your final compensation for life or until he/she remarries.

If there is no eligible surviving spouse or your spouse dies or remarries, a pension will be paid to your eligible dependent children, under the age of 18, at the rate of:

- 50 percent of final compensation to three or

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more eligible children;

- 35 percent to two eligible children; or
- 20 percent to one eligible child.

This benefit also applies to an unmarried child of any age who is mentally or physically disabled and incapable of gainful employment due to this impairment. This condition must be expected to last for not less than 12 months as determined by the SPRS Medical Review Board.

These survivor benefits are in addition to any group life insurance benefits that may be payable.

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**New Jersey Division of Pensions and Benefits • PO Box 295 • Trenton, New Jersey 08625-0295  
(609) 292-7524 • TDD for the hearing impaired (609) 292-7718**

**URL: <http://www.state.nj.us/treasury/pensions> • E-mail: [pensions\\_nj@tre.state.nj.us](mailto:pensions_nj@tre.state.nj.us)**

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